

DCI/IC 76-1002
9 January 1976

MEMORANDUM FOR: Action Plan Task Group Members

SUBJECT : Issues and Comments Provided Mr. Marsh

1. Attached, so your copy will be up to date, are portions of the paper we completed 8 January which were changed as a result of Mr. Colby's review.

2. The changes were:

a. Covering letter. This became primarily a transmittal letter to Mr. Marsh, since the DCI took the ideas we discussed at the noon meeting on Thursday and expanded them into a long letter to the President. The letter to the President has been sent to each of your offices by Executive Registry (ER 76-0086).

b. Tab B. This was completely rewritten.

c. Tab D. The last sentence was changed to remove reference to "the fact of".

3. No changes were made to Tabs A, C and E.

25X1

Chief, Coordination Staff, ICS

Attachment:
As stated

25X1

B. REORGANIZATION OF THE INTELLIGENCE COMMUNITY

4. Should the charter of the Community institute greater accountability? (Presidential "decision book" Page I-6)

Comment: As it is treated in the President's "decision book" this issue would be better stated as: Is it desirable to move now to streamline the chain of command of the Intelligence Community?

DCI Recommendation: As indicated in the comment on Issue 1, this is not considered a propitious time for a major reorganization of the Intelligence Community. Should the President decide, however, that a reorganization of the Community is to be undertaken this year (and Congress in any case appears to be moving in that direction), there are steps that should be taken to streamline the Community structure. The authorities of the DCI should be made commensurate with his responsibilities and his relationships with the Department of Defense should be clarified. On the other hand, the chain of command for covert action is already quite clear and there is no reason to change it.

5. Should any new charter for the Intelligence Community be primarily statutory or administrative? (Presidential "decision book" Page I-8)

DCI Recommendation: Proposals concerning a Central Intelligence Agency charter and a National Reconnaissance Office charter are at Tabs C and D. As for a charter applicable to the Intelligence Community as a whole, this is presently covered by the National Security Council Intelligence Directives. Any changes resulting from the ongoing investigations and Executive Branch review should be reflected in NSCID No. 1.

6. How should accountable leadership of the Intelligence Community be provided?

Comment: This is phrased in the Presidential "decision book" as follows: "What type of leadership does the Intelligence Community require (both internally and externally) to efficiently provide effective leadership on a timely basis? Which person or persons shall be held accountable for leadership of the Intelligence Community?" (Page III-1)

DCI Recommendation: Leadership must be provided by two persons: the President and his senior U.S. foreign intelligence officer, who must function both as a close adviser to the President and as an Intelligence Community leader with authorities that match his responsibilities. These authorities must include sufficient budgetary authority to make his leadership effective.

7. Should the senior U.S. foreign intelligence officer also be the operating head of the Central Intelligence Agency?

Comment: This issue was not cited as an issue in the Presidential "decision book", but it--and the following three issues--are considered of critical importance in formulating the future structure of the Intelligence Community.

DCI Recommendation: Yes. It is essential that the senior U.S. foreign intelligence officer not be separated from his operating base. If he is to be the intelligence adviser to the President, he must not be separated from the analytical base responsible for the production of national intelligence. While the DCI can be directed to delegate day-to-day management of the CIA to a deputy, he must retain operational and policy control of the Agency or he will become a powerless "adviser" on the White House staff.

8. Should the DCI be a member of the NSC, or an adviser to the NSC?

DCI Recommendation: An adviser to the NSC.

9. Should the DCI be the Chairman of the NSC Intelligence Committee?

DCI Recommendation: No, not as the NSCIC is now constituted.

10. Should the DCI be the Chairman of the 40 Committee (or its equivalent)?

DCI Recommendation: No, he should continue to be a member as at present.

11. What principles should be important to you in developing an overall structure to work with Congress on intelligence matters? (Presidential "decision book" Page II-17)

DCI Recommendation: Because oversight activity must be conducted for the most part outside of the public domain, the oversight committees will feel the need to dig more deeply into matters than would be the case if all the normal mechanisms (press, interest groups, other Members of Congress, etc.) were not blocked from access. At the same time, these committees should not impinge upon constitutional prerogatives not shared with the Congress.

If the committees are to back off from a "fully and currently informed" concept and if the oversight structure is to work, the Executive Branch must be prepared to make a number of concessions beyond the normal Executive Branch/Congressional relationship.

Access to sensitive intelligence sources and methods carries with it a special responsibility. It must not be overlooked that the legislation that established the Joint Committee on Atomic Energy, which is cited as the model for a committee that can keep secrets, provides criminal penalties for the unauthorized release of Restricted Data. A strengthened oversight structure in the Congress would provide an opportunity to close a serious gap in the criminal laws of the United States in regard to protecting intelligence sources and methods.

It should be insisted that the Congress enact and enforce rules designed to ensure responsible Congressional handling of sensitive intelligence information.

The oversight structure should be limited to the minimum needed to do the job and to assure the Nation of Congressional watchfulness over intelligence. This structure should exercise exclusive jurisdiction, and the rules of the Congress should be modified to restrict access to sensitive intelligence information.

Sensitive intelligence information should not be published by Congressional committees at their sole initiative. Any one of a number of formulas for prior consultation that provides an opportunity for the eventual assertion of Executive Privilege would be acceptable.

Any proposals to require prior approval of committees for covert action or other high-risk activities should be rejected. Instead, there should be a direct and special channel through which Congressional committees or their members can make their views known to the President.

12. What mechanism would best provide control over intelligence resources? (Presidential "decision book" Page III-7)

DCI Recommendation: Given the present organization of the Community and the relationships between the DCI and Department of Defense agencies, control over intelligence resources is best exercised through use of an Executive Committee or Committees chaired by the DCI. The present EXCOM arrangement applies only to the National Reconnaissance Program. A better arrangement would be a single senior EXCOM for all national collection programs. Short of this, there should be an additional EXCOM charged with responsibility for program and resource decisions for the SIGINT program. The use of EXCOMs avoids the need for any basic change in present procedures for budget development and approval within the Department of Defense, which has the bulk of intelligence resources, and still gives the DCI an important role in the programs and budgets for major technical collection systems.

13. Should the collection organizations be consolidated to improve quality, simplify management, and achieve greater cost effectiveness? (Presidential "decision book" Page III-9)

DCI Recommendation: Supervision under an EXCOM arrangement and continuation of actions already under way to improve the statement of requirements for collection will do more to enhance effectiveness of the collection effort than would attempts at consolidation. Diversity of effort is of great value in operations against difficult intelligence targets, and unwarranted duplication can be avoided by actions far less disruptive than consolidation. The separate nature of the technical collection tasks and human source collection efforts is such that greater cost effectiveness could not be expected from consolidation. Merging minor collection activities would not achieve significant economies.

14. Can the production (analysis) capability of the Intelligence Community be improved through "organizational" realignments? (Presidential "decision book" Page III-11)

DCI Recommendation: No. This issue is generally discussed in terms of resource savings resulting from the elimination of duplicative production arrangements. With minor exceptions, the existing alignments reflect the proper national and departmental interests of the members of the Intelligence Community. It is imperative that the DCI provide the President, the National Security Council, and the Congress with authoritative and reliable assessments of foreign events. This capability can be exercised only on the basis of analysis under the immediate control of the DCI and independent of other departments. Moreover, on critical national intelligence questions, competition in analysis is desirable and should be encouraged. The best approach to improving the quality of analysis and production is to provide resources adequate to satisfy the full range of the substantive needs for national intelligence.